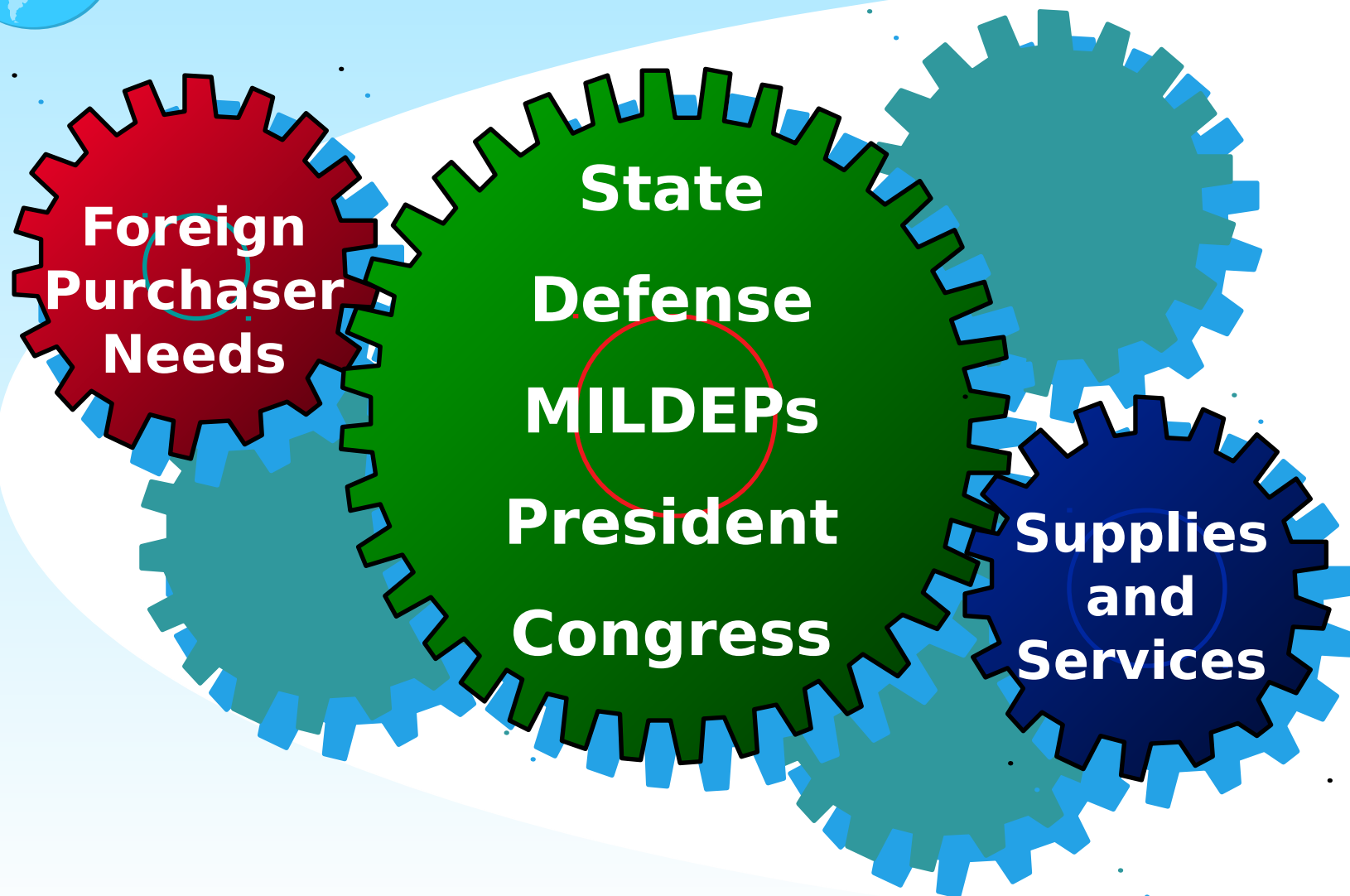




Preliminary Definition &



The Sales Process





International Sales Process

FMS Case lifecycle phases (DISAM Text P-140)

**Preliminary, Definition and Request
Offer and Acceptance
(Case Development)**

Implementation, Execution, and Closure



Customer Decisions

What Kind
Where
How
Many
Cost
When



**Ministre
D'
Defence
Bandaria**

Needs

**U.S.
Munition
s**

**List
Arms
Export
Control
Act**

**Non-U.S.
Sources**

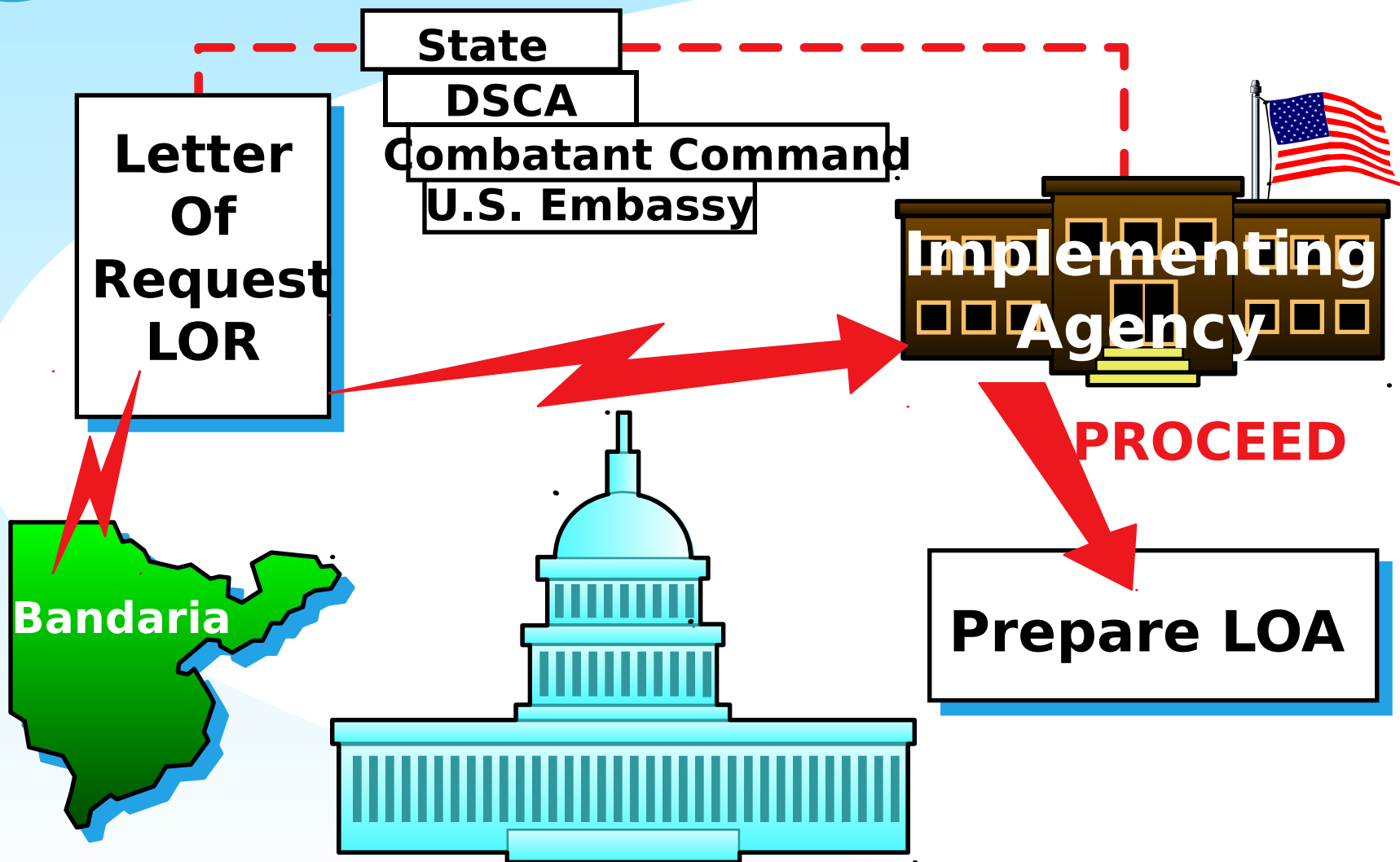
**U.S.
Commercial
Export**

FMS

**Letter
Of
Request
(LOR)**



Channels of Request





Letter of Request Checklist

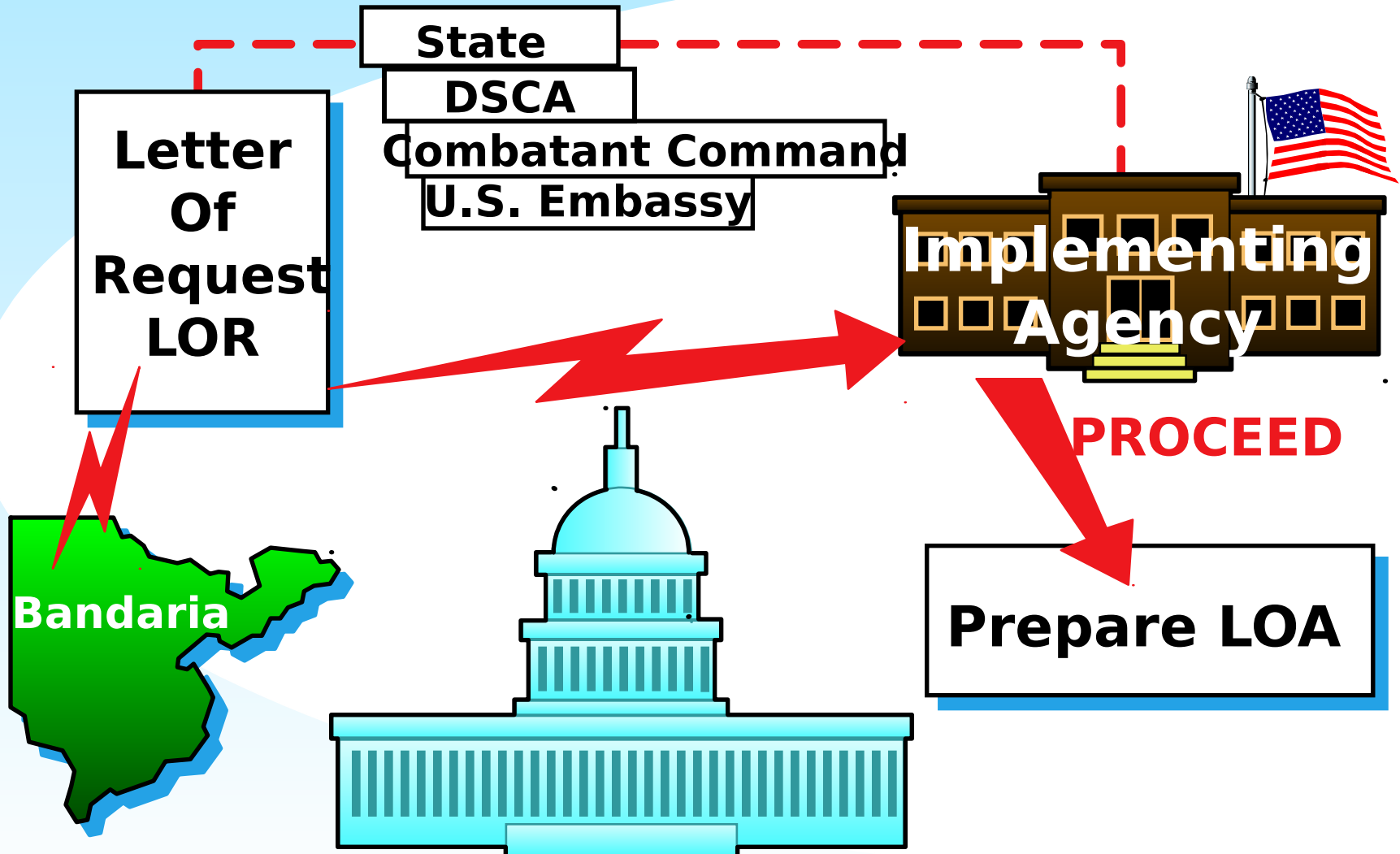
- Purpose (P&A, LOA)
- Purchaser
- Quantity
- Acceptance Timeframe
- Model
- Configuration
- Sole Source
- Delivery Timeframe
- Operations Concept
- Maintenance Concept
- Supply Concept
- Initial Spares
- Transportation

- Services-USG/Contractor
- Training
- Waivers
- Warranties
- Funding Source
- Transparency
- LOI/Lease
- MOU/MOA
- Offsets
- Foreign Competition
- Commercial Negotiations
- Site Survey

**Total
Package
Approach**



Channels of Request





International Traffic in Arms Regulations (ITAR)

- Provides registration / licensing requirements for the commercial export of defense articles, services, and related technical data.
- Includes the United States Munitions List (USML)
- **Identifies “Significant Military Equipment” (SME)**
 - SME requires special considerations because of “Their capacity for substantial military utility or capability”
 - SME also defined in §47(9), AECA
- Identified by an Asterisk (*) on the Munitions List

**[22 CFR 120-
130]**



Major Defense Equipment List

Helicopters

AH-1S Cobra (with T-53-L-703 Engine) System without C-Nite

Approved
Charge

\$147,604

Effective
Date

11 May 89

AH-1W Super Cobra (with 2 T-700-GE-401 Engines)(N)

\$326,461

18 Jun 90

AH-1Z (H1 Helicopter upgrade) with two T700-GE-410 Engines

\$897,452

28 Nov 01

AH-64 Apache Helicopter System (with 2 T-700 Engines) (A)

\$1,045,566

30 Dec 83

\$1,328,033

23 Feb 00

AH-64 (New) Apache Helicopter System with 2 T-700 Engines

\$144,279

7 Aug 91

\$663,082

10 Aug 93

CH-47D Chinook (without T-55 Engines) (A)

\$607,149

3 Jun 91

OH-58D Kiowa with one T-703 engine (with Mast Mtd Sights) (A)

\$761,197

28 Nov 01

SH-2G (with 2T-700-GE-401 Engines)

UH-1Y (H-1 Helicopter Upgrade)

401C Engines



MDE List- SAMM Appendix-1



Country Team Assessment” for SME/MDE LOR’s (SAMM

C5.T1)

U.S. Embassy/SAO Must Address:

- Reason nation desires articles/services
- Effect on recipient's force structure
- Reaction of neighboring nations
- Purchaser's ability to maintain, operate and support
- Economic impact and source of financing
- Human rights considerations
- Should USG approve purchase

SME=Significant Military
Equipment

MDE=Major Defense



Defense Security Cooperation Agency Responsibilities

- Charter-Administer FMS
- Congressional Input
- FMS Country Program & Financial Management
- FMS Trust Fund Mgt.
- Security Cooperation
- Credit Program (FMFP)
- Policy (SAMM)
- Case Closure
- Training Program (IMET)
- FMS Administrative Budget
- Memoranda of Understanding
- Payment Schedules/Special Bills
- Waiver Authorities
- Security Assistance Office Mgt.
- Computer System Development & Management
- Security Assistance Metrics
- Reengineering/IPT's
- Non-FMS Functions



DEPARTMENT of STATE

Arms Transfer points of Contact

Bureau of Political-Military Affairs

Regional Security and Arms Transfers (RSAT)

Director for Defense Trade Controls (DDTC)